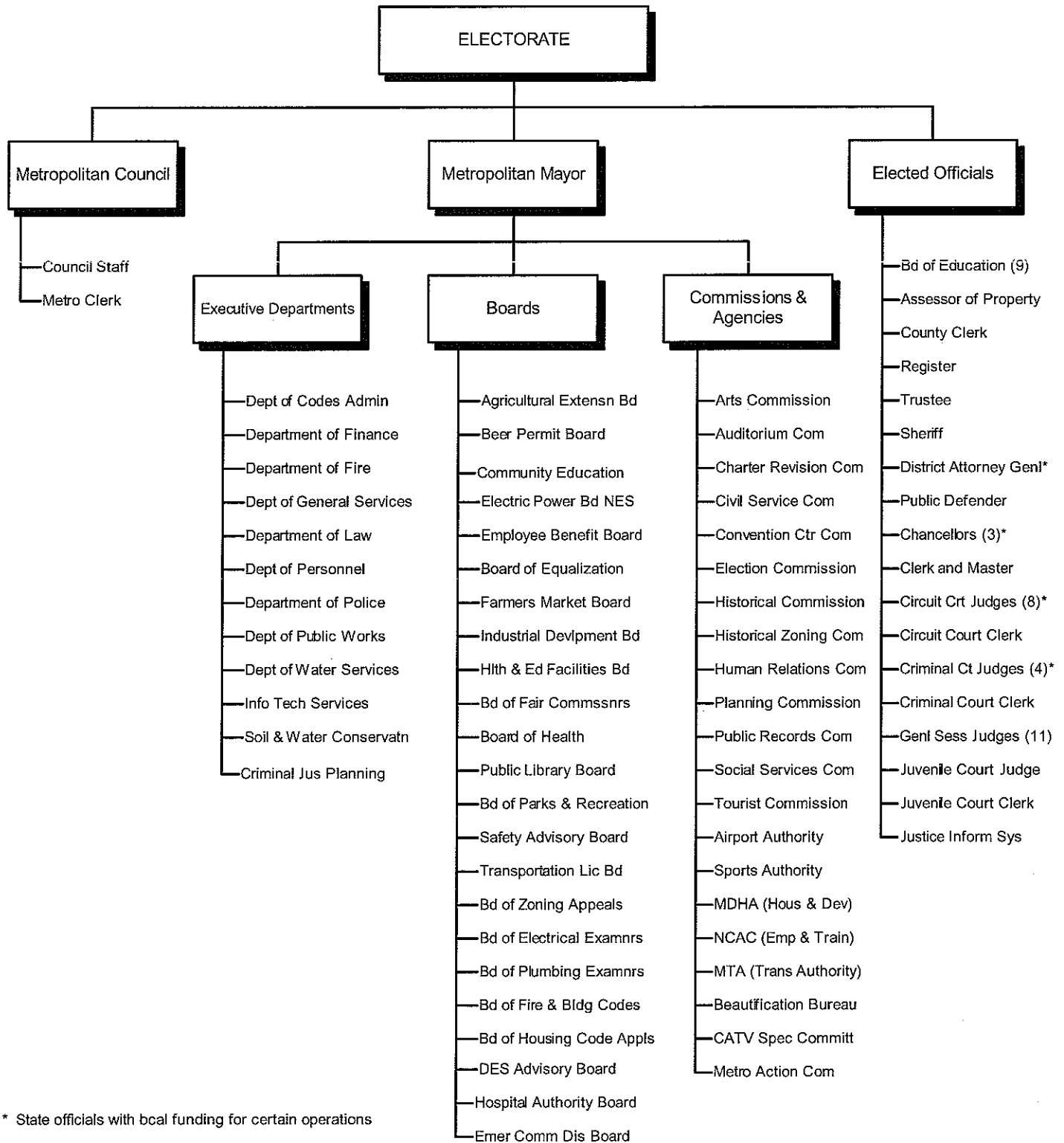


NASHVILLE

| | |
|---|---|
| When Consolidated? | Voted in 1962 Effective in 1963 |
| Dual Vote? | Nashville and Davidson county residents in single vote |
| Vote results | 56% |
| Structure (Legislative, Executive, Judicial) | Legislative-County Council Executive-Mayor, Vice Mayor Judicial- Metro GS Courts, Circuit, Chancery, Juvenile, Criminal |
| List of Services Provided | GSD: Fire, police, EMS, Courts, Jails, Health, Welfare, Hospitals, Roads, Schools USD: Additional Police, Water/Sewer, Garbage, Street Lights |
| Charter Officers/Duties/Authority (What officers are included in the Charter; are they elected or appointed?) | Mayor, Vice Mayor and Metro Council elected (35 District Reps + 5 At large Reps), Urban Council (3 highest vote getters form At large Reps) Sheriff elected (but not as peace keeper), Mayor appoints all administrative officers including Chief of Police See Metro Nashville Organizational Chart attached hereto as Exhibit 1 |
| Population | 626,144 in 2008 |
| # Employees/Ratio of Budget per Employee | 9,653 Metro Gov EEs 10,013 Public School EEs 2008 Total Metro Gov Expenditure (including schools): \$2,116,576,000.00 (schools expenditure = \$780,000,000.00) |
| Taxing Districts: How Many/What Type? | 2 taxing districts (General Services (GSD) and Urban Services (USD)) with a separate educational tax rate applied to general services district |
| How Are Taxes Collected? | Div. of Prop. Tax Collection headed by Trustee (elected) |
| Cap on Taxes or Millage? | See 10 year history of Metro Property Tax Rates attached hereto as Exhibit 2 |
| Partisan Elections? | No |
| How many Districts and Representatives? | 35 Districts 35 District Reps 5 At Large Reps (Top 3 comprise Urban Council) |
| How are Districts Drawn? | Pursuant to Federal Census |
| Term Limits? | Yes |
| Code of Ethics? | Yes-Pertaining to all Civil Service EEs |

| | |
|---|--|
| Public Safety: How are Patrol, Corrections, Fire/EMS Functions Handled? | Chief of Police oversees all law enforcement Sheriff maintains jails Metro Fire Department |
| Civil Service System? | |
| Pensions-Transferred? Limits on Pensions? | Pensions maintained from City of Nashville and Davison County All Metro employees receive Metro pension [Metro Council gets no pension] |
| Schools Included? | Yes Established Metro Bd. of Ed. with separate tax rate for Education Bd. Members Districts follow |
| Does the Charter include elements that reflect/address the values of our Charter Commission? (Efficient, Inclusive, Service, Integrity, Innovation) If so, please specifically list. | |

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
ORGANIZATION CHART



* State officials with local funding for certain operations

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

| Fiscal Year | General Services District | | | | | Urban Services District | | | Total Direct Tax Rate |
|----------------|----------------------------|-----------------------------------|-----------------------------|--------------------------------|----------------------|----------------------------|-----------------------------|----------------------|-----------------------------|
| | GSD General Fund (1) | General Purpose School Fund | GSD Debt Service Fund | School Debt Service Fund | Total GSD Rate | USD General Fund (1) | USD Debt Service Fund | Total USD Rate | |
| 1998-99 | \$ 1.68 | \$ 0.96 | \$ 0.50 | \$ 0.25 | \$ 3.39 | \$ 0.74 | \$ 0.11 | \$ 0.85 | \$ 4.24 |
| 1999-00 | 1.68 | 0.96 | 0.50 | 0.25 | 3.39 | 0.74 | 0.11 | 0.85 | 4.24 |
| 2000-01 | 1.68 | 0.96 | 0.50 | 0.25 | 3.39 | 0.74 | 0.11 | 0.85 | 4.24 |
| 2001-02 (2) | 1.97 | 1.24 | 0.43 | 0.20 | 3.84 | 0.64 | 0.10 | 0.74 | 4.58 |
| 2002-03 (3) | 1.94 | 1.27 | 0.43 | 0.20 | 3.84 | 0.64 | 0.10 | 0.74 | 4.58 |
| 2003-04 | 1.94 | 1.27 | 0.43 | 0.20 | 3.84 | 0.64 | 0.10 | 0.74 | 4.58 |
| 2004-05 | 1.94 | 1.27 | 0.43 | 0.20 | 3.84 | 0.64 | 0.10 | 0.74 | 4.58 |
| 2005-06 (2) | 2.00 | 1.33 | 0.54 | 0.17 | 4.04 | 0.56 | 0.09 | 0.65 | 4.69 |
| 2006-07 (3) | 2.07 | 1.33 | 0.47 | 0.17 | 4.04 | 0.56 | 0.09 | 0.65 | 4.69 |
| 2007-08 (3) | 2.06 | 1.33 | 0.48 | 0.17 | 4.04 | 0.56 | 0.09 | 0.65 | 4.69 |

Tax rates are per \$100 of assessed valuation. Payments may be made through February 28 of the year following the year of assessment and levy without penalty.

On November 7, 2006, voters approved a ballot initiative prohibiting the Metropolitan Council from raising real property tax rates from their current and future levels without the approval of the voters in a referendum. Prior to the adoption of the November 7 ballot proposal, the Metropolitan Council was authorized to set the real property tax rate without any requirement of voter approval. The Government's legal department has issued a memo stating that the approved initiative violates the Tennessee Constitution because it places the power to set property tax rates with voters rather than with the Metropolitan Council as prescribed by the Constitution. However, the Government cannot predict whether there will be a court challenge as to the constitutionality of the approved initiative. If there is a challenge, the Government cannot predict the timing or be certain of the outcome of any court challenge as to the constitutionality of the approved initiative.

- (1) A portion of the revenue of the GSD General Fund generated from the tax levy collected for the area of the USD is recorded in the USD General Fund. Referred to as the levy for fire protection service, this amount of the levy has ranged from \$.12 to \$.08 over the last ten years.
- (2) The State mandates a reappraisal valuation of property within Davidson County every four years resulting in a reduction of the combined GSD-USD tax rate. Also, the combined GSD-USD tax rate was increased by the Metropolitan Council and reallocated among the funds receiving property tax revenue. The rates above reflect the net change of the reappraisal valuation and the increase and reallocation by the Metropolitan Council.
- (3) In fiscal years 2002-03, 2006-07, and 2007-08, the GSD property tax rate was reallocated among the funds receiving property tax revenue.